## Congressman Denny Rehberg

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STATE OF MONTANA MISSOULA FIELD OFFICE 301 E. BROADWAY, SUITE B MISSOULA, MT 59802 (406) 543-9550 (406) 543-0663 fax

Date; 03, 12, 2099
To: House Appropriations Committee
Fax Number: 406-444-4825
Number of Pages (including cover): 3
From:
□ Congressman Denny Rehberg □ Tom Schultz □ Jessica Flint ☑ Larry Anderson
COMMENTS: Place distribute a copy of the Congress won's Textee to the Full Committee. This letter
Loan Fund to support the Wood Products Ludustry contained in HB645

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## Congress of the United States House of Representatives

Washington, DC 20515

March 9, 2009

Governor Brian D. Schweitzer
Office of the Governor
Montana State Capitol Building
P.G. Box 200801
Helena MT 59620-0801

## Dear Governor Schweitzer:

I was encouraged to read recently of your plans to utilize a portion of Montana's economic stimulus funds to create a State Revolving Loan Fund (RLF) to aid our state's wood products industry.

As you well know, the wood products industry has been stressed to the breaking point over the years due to lack of accessible timber and other pressures. With the downtum in our economy, the drop in housing starts and a decline in demand for wood products has brought that stress to critical mass. The wood products industry has been responsive to the changing demand for timber and wood products by reducing costs and increasing efficiencies, but without help those efforts may not be enough. A report prepared by the Montana Bureau of Business and Economic Research projects that the housing slump will continue through 2009 and into 2010. The associated drop in demand for wood products has resulted in large inventories of unsold products at mills and lumber yards throughout the state. Steps must be taken now to ensure that our critical wood products industry infrastructure is maintained until this situation turns around.

I have always been a strong supporter of the wood products industry in Montana. The infrastructure we save now will form the foundation for a vibrant wood products industry that will provide clean-burning biomass energy, a reliable supply of material for construction, and thousands of well-paying jobs. In addition to playing a large role in the economic future of our state, the wood products industry promotes the health of our forests through responsible timber management.

2448 Naybern Mauxo Office Building Washington, DO 20515 LYON 225-3217 1201 Grand Avenue, Sohe t Billings, 117 69 102 1206) 250-1016 Tall Free 1-808-232-2026

850 North Menthan Avenua Helena, hit 65601 (408/463-7278 SD1 East Sirgettwing Styliet 2 Muscepin, ACT 55802 (406) 643-3660 ing Smoker Augnig, NE Suito To Great Fate, NT 55601 (196) 454-1068 As you work toward implementation of the RLF, my office will be available to provide support for Economic Development Administration grant funding and USDA Rural Development assistance in this effort.

Sincerely,

Denny Rehberg

Montana's Congressman